of interest on deposits on which no tax is required to be deducted. As these measures are new, the date for furnishing of Quarterly Returns for the first three quarters in the Financial Year 2005-06 has been extended upto 30th April, 2006. Meanwhile, the Government is working out the modalities of collecting, processing and collating the information to be received through such Quarterly Returns. As the Quarterly Returns are yet to be received, it is too early to say that the measures have not worked as anticipated.

World Development Report 2006

†229. SHRI PYARELAL KHANDELWAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of World Development Report 2006 of the World Bank stating that farmers in India have to pay more interest than the rich persons;

(b) whether it is a fact that while loan is available at six per cent interest rate in cities for purchasing a car, however several banks charge 15 per cent interest for the loan given to the farmers; and

(c) if so, the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Sir, the World Development Report 2006 of the World Bank states that in rural sector, the rich access most of the credit and pay relatively low rates. The rich in rural sector may even include rich farmers. However, it has been the continuous endeavour of the Government to bring down rates of interest on agricultural loans. Though interest rates on loans given by the banks are deregulated, for providing cheap credit to the farmers, all the public sector banks have been advised to reduce their rate to a single digit of not more than 9 per cent per annum on crop loans upto a ceiling of Rs. 50,000.

Implementation of Vaidyanathan Panel Report

230. SHRI RAJEEV SHUKLA: Will the Minister of FINANCE be pleased to state:

† Original notice of the question was received in Hindi.

(a) whether it is a fact that the quantum of credit from cooperative banks even to agriculture sector has shown significant decline over the years, as compared to significant rise in credit from commercial banks;

(b) whether Government have set any time-frame for implementation of suggestions in the Vaidyanathan panel report; and

(c) if so, the details along with present status of the implemenation thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) No, Sir. The quantum of credit extended to agriculture sector by cooperative banks and commercial banks has increased in absolute terms in last several years. However, growth rate achieved by commercial banks has been higher than that of cooperative banks as shown below:—

(Rs. in crore)

Agency	Item	Disbursements during		
		2002-03	2003-04	2004-05
Commercial Banks	Amt.	39774	52441	81481
	% Growth	18.4%	31.8%	55.4%
Cooperative Banks	Amt.	23636	26875	31231
	% Growth	0.04%	13.7%	16.6%

(b) and (c) After consulting the States on the recommendations of the Task Force on Short Term Co-operative Credit Structure, a revival package has been approved and sent to the State Government for acceptance. Those choosing to participate in the package will be entitled for financial assistance under the package if they agree through the mechanism of a formal MOU or exchange of letters with the Central Government, to implement (in a phased manner and within a period of 3 years), the legal and institutional reforms envisaged and share the financial package. States not ready to make the choice immediately will be given two years to take decision on this matter.

Involvement of banks in IPO Scam

†231. SHRI PYARELAL KHANDELWAL: Will the Minister of FINANCE be pleased to state:

† Original notice of the question was received in Hindi.